

IDAHO REAL ESTATE APPRAISER BOARD
Bureau of Occupational Licenses
700 West State Street, P.O. Box 83720
Boise, ID 83720-0063

Board Meeting Minutes of 2/6/2018

BOARD MEMBERS PRESENT: Paul J Morgan - Chair
H Scott Calhoun
B Jane McClaran
Eric J Brinton

BOARD MEMBERS ABSENT: Douglas D Vollmer

BUREAU STAFF: Tana Cory, Bureau Chief
Dawn Hall, Deputy Bureau Chief
Julie Eavenson, Admin. Support Manager
Lori Peel, Investigative Unit Manager
Maurie Ellsworth, General Counsel
Cesley Metcalfe, Technical Records Specialist

OTHERS PRESENT: Joe Roundtree, Certified Residential Appraiser
Garry Ames, Certified Residential Appraiser
Jason Gerhard, Licensed Residential Appraiser
Nathan Moody, Certified Residential Appraiser
Adam Fullmer, Certified Residential Appraiser

The meeting was called to order at 8:30 AM MST by Paul J Morgan.

APPROVAL OF MINUTES

Ms. McClaran made a motion to approve the minutes of December 4, 2017. It was seconded by Mr. Calhoun. Motion carried.

LEGISLATIVE REPORT

Mr. Calhoun updated the Board on the progress through the Legislature of the 2018 proposed law and proposed rule.

Ms. Cory gave the legislative report. The deadline to submit proposed law changes to the Governor's Office is mid-July 2018 and the deadline to submit proposed rule changes to the Governor's Office is mid-August 2018 for the 2019 Legislative Session.

Ms. Cory informed the Board that Sens. Burgoyne and Den Hartog mentioned to some members of the Boards served by the Bureau that they were looking at potential legislation. The concept would be to allow a person or entity that is

alleged to have violated the Board's laws and rules to recover attorney's fees if the person or entity was found to have not violated the Board's laws and rules. At the time it was mentioned, a bill had not been drafted.

FINANCIAL REPORT

Ms. Hall gave the financial report, which indicated that the Board had a cash balance of \$520,063.55 as of January 31, 2018.

FEE DECREASE DISCUSSION

The Board discussed a potential fee decrease. The Board will continue the discussion at the next scheduled meeting.

INVESTIGATIVE REPORT

Ms. Peel gave the investigative report, which is linked above.

FOR BOARD DETERMINATION

Mr. Calhoun made a motion to approve the Bureau's recommendation and authorize closure in case REA-2018-2. It was seconded by Mr. Brinton. Motion carried.

The Board reviewed the probation log.

Mr. Calhoun made a motion to release Mr. Johnson from probation pending a written request for release received from the licensee in regard to case number REA-2016-3. It was seconded by Mr. Brinton. Motion carried.

CONTINUING EDUCATION SETTLEMENT STRUCTURE

The Board discussed making modifications to the current fee structure for continuing education violation settlements. Mr. Calhoun made a motion to establish a new fee structure of a \$250 flat fee for the first ten credit hours an appraiser is short of the continuing education requirement and an additional \$25 per credit hour shortage over ten credit hours. It was seconded by Mr. Brinton. Motion carried.

VOLUNARY SURRENDER AND COLLECTIONS PROCESSES

Ms. Peel explained the process for voluntary surrender of a license by a licensee and the collections process for unpaid disciplinary fines and investigative fees.

EXECUTIVE SESSION

Mr. Calhoun made a motion that the Board go into executive session under Idaho Code § 74-206(1)(d) and (f) to consider records that are exempt from disclosure under the Idaho Public Records Law. The purpose of the Executive Session was to discuss the reconsideration request for case REA-2017-7. It was seconded by Ms. McClaran. The vote was: Mr. Morgan, aye; Mr. Calhoun, aye; Ms. McClaran, aye; and Mr. Brinton, aye. Motion carried.

Mr. Calhoun made a motion to come out of executive session. It was seconded by Mr. Brinton. The vote was: Mr. Morgan, aye; Mr. Calhoun, aye; Ms. McClaran, aye; and Mr. Brinton, aye. Motion carried.

FOR BOARD DETERMINATION

Mr. Calhoun made a motion to grant reconsideration, in part, of case REA-2017-7 and directed Bureau staff to prepare a response waiving costs and fees but not license revocation, to be reviewed and signed by the Board Chair. It was seconded by Ms. McClaran. Motion carried.

INTERIM COMMITTEE UPDATE

Mr. Ellsworth stated that the Idaho Legislature has an Interim Committee that has been studying the use of hearing officers and is also looking at the Idaho Administrative Procedure Act. Draft legislation was presented at the Interim Committee's last meeting that would make substantial changes to the Idaho Administrative Procedures Act and the way contested cases are handled. The Bureau submitted a letter to the Committee seeking clarification concerning some of the proposed changes prior to the Committee's meeting on October 2, 2017. As the Bureau receives additional information, it will be provided to the Board.

OLD BUSINESS

To Do List – The Board reviewed the to do list.

APPRAISAL MANAGEMENT COMPANY (AMC) RENEWAL APPLICATION

Ms. Hall presented a revised draft of the AMC renewal application. Mr. Calhoun made a motion to approve the AMC renewal application with no changes. It was seconded by Ms. McClaran. Motion carried.

APPRIASAL MANAGEMENT COMPANY (AMC) NAME CHANGE APPLICATION

Ms. McClaran made a motion to approve the AMC name change application presented at the last meeting. It was seconded by Mr. Brinton. Motion carried.

APPRIASAL SUBCOMMITTEE (ASC) REQUIREMENTS FOR APPRIASAL MANAGEMENT COMPANY (AMC) REPORTING

The Board reviewed correspondence from the ASC regarding the processes and requirements of reporting AMCs for the federal AMC registry.

EXECUTIVE ORDER

Ms. Eavenson outlined the Board's role in responding to the Lt. Governor's Executive Order. There is a template that will be used to complete each Board's response, and the template contains six sections:

- A. Index of Statute, Rule, and Policy Requirements for Licensure and Renewal
- B. Applications and Renewals Denied – 2017
- C. Disciplinary Actions – Past 5 Years
- D. Law, Rule, or Policy Changes or Proposed/Implemented Changes in Last 5 Years to Eliminate Barriers to Entry
- E. Assessment of Public Interest
- F. Recommendations for Improvement, Modification, or Elimination of Requirements

The Bureau will be responsible for gathering and entering all of the data in sections A, B and C of the template. The Bureau and each Board will jointly fill in section D regarding the Law, Rule or Policy Changes or Proposed/Implemented Changes in Last 5 Years to Eliminate Barriers to Entry. The Board Specialist and Administrative Support Manager will assist the designated Board member with writing sections E and F.

Ideas for the EO that come up between meetings cannot be shared among Board members outside of Board meetings, but may be forwarded to the Board Specialist or Administrative Support Manager for inclusion in the next meeting.

The process will be completed in three meetings: 1) discussion, 2) review and approve a rough draft, and 3) review and approve a final draft. The final draft must be completed and approved by June 15, to meet the July 1, deadline for responding.

NEW BUSINESS

APPRAISAL QUALIFICATIONS BOARD (AQB) UPDATES

The Board reviewed the update to the AQB qualifications for real estate appraisers. A subcommittee was appointed to work further on the updates and report to the Board at the next meeting on April 16, 2018.

ASSOCIATION OF APPRAISER REGULATORY OFFICIALS (AARO) CONFERENCE

The Board discussed attendance at the AARO 2018 spring conference. Mr. Calhoun made a motion to approve expenses for all members of the Board and one Bureau staff member, approved by the Chair, to attend the conference. It was seconded by Mr. Brinton. Motion carried.

CORRESPONDENCE

The Board reviewed correspondence from an appraiser who is concerned about proposed bill S. 2155-115th Congress (2017-2018): Economic Growth, Regulatory Relief, and Consumer Protection Act. There is concern that if the bill passes it will create a discrepancy with current federal regulations. The Board discussed this with the public in attendance but did not take a position on the matter.

The Board reviewed correspondence from an appraiser who would like suggestions on how to handle requests from lenders to submit work samples. Mr. Calhoun made a motion for Bureau staff to draft a response with suggestions that Mr. Morgan will review and sign. It was seconded by Mr. Brinton. Motion carried.

The Board reviewed correspondence from the Appraisal Subcommittee (ASC) asking if Idaho is experiencing any shortages or perceived shortages in appraisers. Mr. Calhoun made a motion for Bureau staff to respond with the five year trend in licensing numbers for real estate appraisers in Idaho. It was seconded by Ms. McClaran. Motion carried.

The Board reviewed correspondence from the Kansas Real Estate Appraisal Board asking if Idaho has had legislation presented for an alternative valuation standard. Mr. Calhoun made a motion for Bureau staff to respond that Idaho has not seen any legislation brought forth by the Appraisal Institute or other parties referencing alternative valuation standards. It was seconded by Mr. Brinton. Motion carried.

The Board reviewed correspondence from the Appraisal Foundation regarding the Discussion Draft of Potential Areas of Change for the 2020-21 edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP). No action was taken.

EXECUTIVE SESSION

Mr. Calhoun made a motion that the Board go into executive session under Idaho Code § 74-206(1)(d) to consider records that are exempt from disclosure under the Idaho Public Records Law. The purpose of the Executive Session was to consider license application materials. It was seconded by Mr. Brinton. The vote was: Mr. Morgan, aye; Mr. Calhoun, aye; Ms. McClaran, aye; and Mr. Brinton, aye. Motion carried.

Mr. Calhoun made a motion to come out of executive session. It was seconded by Mr. Brinton. The vote was: Mr. Morgan, aye; Mr. Calhoun, aye; Ms. McClaran, aye; and Mr. Brinton, aye. Motion carried.

APPLICATIONS

Mr. Calhoun made a motion to approve AMC-4642, Lender Valuation Services, Inc. for licensure. It was seconded by Mr. Brinton. Motion carried.

Mr. Calhoun made a motion to approve applicant 901156584 pending receipt of additional information and submission to the Chair for review. It was seconded by Ms. McClaran. Motion carried.

Mr. Calhoun made a motion to approve applicant 901156669 pending receipt of additional information and submission to the Chair for review. It was seconded by Mr. Brinton. Motion carried.

Mr. Calhoun made a motion to approve applicant 901135466 for exam. It was seconded by Mr. Brinton. Motion carried.

Mr. Calhoun made a motion to approve applicant 901140056 for exam. It was seconded by Ms. McClaran. Motion carried.

CE COURSES

Mr. Calhoun made a motion to approve the following continuing education course:

INTERNATIONAL RIGHT-OF-WAY ASSOCIATION – THE VALUATION OF
PARTIAL ACQUISITIONS, C421

It was seconded by Ms. McClaran. Motion carried.

NEXT MEETING was scheduled for April 16, 2018 at 8:30 AM.

ADJOURNMENT

Mr. Calhoun made a motion to adjourn the meeting at 12:12 PM. It was seconded by Mr. Brinton. Motion carried.

Paul J Morgan, Chair

H Scott Calhoun

B Jane McClaran

Eric J Brinton

Douglas D Vollmer

Tana Cory, Bureau Chief